

**MINUTES OF THE BOARD OF COMMISSIONERS  
SPECIAL MEETING  
FEBRUARY 18, 2014**

THE BOARD OF COMMISSIONERS OF THE CITY OF CORBIN, KENTUCKY, MET IN SPECIAL SESSION ON FEBRUARY 18, 2014, AT THE CITY GOVERNMENT CENTER, WITH THE FOLLOWING MEMBERS PRESENT:

WILLARD MCBURNEY, MAYOR  
SUZIE RAZMUS  
BRUCE HODGE

ABSENT: JOE SHELTON  
ED TYE

**CLOSE BIDS ON SURPLUS PROPERTY** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE BIDS ON THE SURPLUS PROPERTY, BE CLOSED.

**OPEN AND READ THE BIDS** – NO BIDS WERE RECEIVED.

**DISPOSITION OF THE BIDS** – MOTION BY RAZMUS, SECOND BY HODGE, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE CITY MANAGER BE AUTHORIZED TO READVERTISE FOR SEALED BIDS FOR THE SURPLUS PROPERTY.

**BILLS** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE JANUARY BILLS BE APPROVED FOR PAYMENT.

**MINUTES** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE MINUTES FROM THE LAST REGULAR MEETING, BE APPROVED AS READ.

AT THIS TIME, THE MAYOR RECOGNIZED SUPERINTENDENT ED MCNEEL. MR. MCNEEL HAS SERVED THE CORBIN SCHOOL DISTRICT FOR OVER 22 YEARS. DURING THAT TIME, THE SCHOOL DISTRICT HAS BEEN RANKED IN THE TOP 5 IN THE STATE. THE MAYOR THANKED HIM FOR HIS DEDICATION TO THE STUDENTS, TEACHERS AND THE COMMUNITY. THE MAYOR STATED THAT WHEN PROSPECTIVE INDUSTRY COMES TO CORBIN, ONE OF THE FIRST QUESTIONS ASKED IS ABOUT THE SCHOOLS. THE MAYOR THANKED MR. MCNEEL FOR MAKING CORBIN SCHOOLS ONE OF THE BEST IN THE STATE. HE PRESENTED MR. MCNEEL WITH A KEY TO THE CITY. ALL OF THE CORBIN SCHOOL BOARD MEMBERS WERE IN ATTENDANCE TO HONOR MR. MCNEEL.

**WALLACE SMALLWOOD** – AT THIS TIME, WALLACE SMALLWOOD, WITH CLOYD AND ASSOCIATES, WENT OVER THE ANNUAL AUDIT CONDUCTED FOR THE CITY OF CORBIN. HE STATED THAT NO IRREGULARITIES WERE FOUND. THE CITY'S ENDING CASH BALANCE WAS \$1,608,485. NET ASSETS FOR 2013 ARE \$32,291,657. NET CHANGE IN FUND BALANCE \$347,163. HE STATED THAT THE BUDGET WAS NOT EXCEEDED IN THE CURRENT YEAR. HE STATED THAT NEXT YEAR ALL COMPONENT UNITS MUST BE INCLUDED IN THE CITY'S AUDIT. THIS WOULD INCLUDE THE LIBRARY AND THE CITY UTILITIES COMMISSION, BECAUSE THE CITY APPOINTS THEIR BOARDS. HOWEVER, THE CITY UTILITIES COMMISSION HAS A YEAR END OF DECEMBER 31. HE STATED THAT THERE IS A FAILURE TO ESTABLISH SUFFICIENT CONTROLS OVER ACCOUNTING FOR FIXED ASSETS. THERE IS FAILURE TO INSURE THAT ANNUAL AUDITS ARE PERFORMED ON ALL COMPONENT UNITS. THERE IS A FAILURE TO TIMELY RECORD TRANSACTION OF THE CORBIN ARENA. THERE IS A FAILURE TO PROVIDE FORMAL FRAUD TRAINING FOR CITY EMPLOYEES. THERE IS A FAILURE OF CITY MANAGEMENT TO BE ABLE TO PRODUCE GAAP FINANCIAL STATEMENTS. THERE IS A FAILURE OF CITY MANAGEMENT TO HAVE THE ACTUARIAL STUDY OF THE POLICE AND FIREMEN'S PENSION FUND TO BE CONDUCTED TIMELY IN ACCORDANCE WITH GAAP WHICH REQUIRES THAT THE ACTUARIAL

STUDY BE CONDUCTED EVERY TWO YEARS. HOWEVER, THE CITY IS IN COMPLIANCE THE KENTUCKY LAW, WHICH REQUIRES THE STUDY BE CONDUCTED EVERY THREE YEARS.

**ANNUAL AUDIT** – MOTION BY HODGE, SECOND BY RAZUMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE ANNUAL AUDIT CONDUCTED BY CLOYD AND ASSOCIATES, BE ACCEPTED AS PRESENTED.

**TAX REFUND**– MOTION BY TYE, SECOND BY SHELTON, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE FOLLOWING TAX REFUND BE APPROVED:

EUGENE ENGLERT	2013	\$57.70	HEX
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**ORDINANCE NO.1-2014** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT ORDINANCE NO. 1-2014, AN ORDINANCE ANNEXING THE FARRIS PROPERTIES, BE APPROVED ON THE FIRST READING.

**ORDINANCE NO. 2-2014** – MOTION BY RAZMUS, SECOND BY HODGE, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT ORDINANCE NO. 2-2014, AN ORDINANCE ANNEXING THE BEULAH ROGERS PROPERTY, BE APPROVED ON THE FIRST READING.

**ORDINANCE NO. 3-2014** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT ORDINANCE NO. 3-2014, AN ORDINANCE AMENDING THE ALCOHOL ORDINANCE WITH REGARD TO SIGNAGE, BE APPROVED ON THE FIRST READING.

**GARBAGE REFUND** – MOTION BY RAZMUS, SECOND BY HODGE, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT DALE CHAFFIN RECEIVE A GARBAGE REFUND IN THE AMOUNT OF \$146.75.

**KNOX COUNTY REQUEST** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT KNOX COUNTY 911 BE GRANTED A REQUEST TO SHARE THE RADIO FREQUENCY FOR THEIR 911.

**SURPLUS PROPERTY** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE FOLLOWING VEHICLES IN THE POLICE DEPARTMENT BE DECLARED AS SURPLUS PROPERTY; AND THAT THE CITY MANAGER BE AUTHORIZED TO ADVERTISE SAID SURPLUS VEHICLES ON EBAY:

1995	CHEVROLET 1500 PICKUP
2000	MERCURY MOUNTAINEER
2002	CHEVROLET AVALANCHE PICKUP
2002	DODGE RAM PICKUP
2001	HONDA SHADOW MOTORCYCLE

**KLC SAFETY GRANT** – MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, THAT THE CITY ACCEPT A KLC SAFETY GRANT IN THE AMOUNT OF \$1470.00 FOR THE PUBLIC WORKS DEPARTMENT. THE GRANT WILL BE USED TO PURCHASE SAFETY CONES.

MOTION BY HODGE, SECOND BY RAZMUS, VOTE OF ALL MEMBERS PRESENT BEING YEA, AND THE MEETING WAS ADJOURNED.

APPROVED:

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WILLARD MCBURNEY, MAYOR

ATTEST:

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ERIN TYE, CITY CLERK